EXHIBIT **5**DATE 3-/3-07

HB 7

## HOUSE APPROPRIATIONS COMMITTEE

## HB 7 Hearing-Reclamation and Development Grants-March 16<sup>th</sup>, 2007

## Hydrologic Investigation of the Smith River, Meagher County Conservation District

This project, a four year study, will result in an increased understanding and management of the overall hydrologic system of the Smith River Basin, through a partnership with United States Geological Survey, a leading scientific agency in the United States, respected for their non-biased, scientific expertise.

The Smith River Watershed, approximately 1.3 million acres in Meagher and Cascade Counties, is an important recreational and agricultural area. Irrigation is the cornerstone of this area's agricultural economic well being. Largely in response to the lack of enough available surface water for irrigation, some irrigators have switched or proposed switching from flood to sprinkler irrigation and some have considered using ground-water as a source of irrigation water. The effect of these changes in irrigation practices on the hydrologic system and possible effects on stream flow is not well understood. During the recent drought, stream flow has not been sufficient to meet the needs of all irrigators and recreationists. Minimum stream flow for fish viability has not been met on several occasions. This project's necessity affects all water users; ie, agriculture, the public, floaters, fishermen and all people who work with natural resources.

Collection and analysis of additional data is critical in order to determine if there is a direct and immediate connection to the surface-water system resulting in reduced flow in the Smith River. Additional data is also necessary in order to predict the cumulative impacts that changes from wild flood irrigation to sprinkler irrigation have on the hydrologic system in the Upper Smith River Watershed. Previously gathered information will also be used.

This information will facilitate the proper management of the water resources by all water managers, state and federal agencies, the concerned public and agriculture. Understanding the interaction of the ground-water/surface-water is an important component when determining the allocation of water in the area and developing integrated water management plans. In order for future integrated water management planning to be realized, a complete scientific investigation is crucial. Sound, future water management decisions and public education cannot be accomplished without this scientific information.

Previous studies within the watershed including independent, site-specific studies were conducted for individual property owners and an environmental assessment included an investigation of the cumulative impacts of pending water right applications. These studies have not provided the needed information and questions remain among some water users as to the possible bias and reliability of these studies. The data and interpretation of these independent studies may not be public knowledge and there may be a question of bias. The data and information from this project will be shared with the public, agencies, individuals and organizations. Technologies used and this overall experience will help other watershed's, in Montana and other areas, prevent some of the difficulties that have been experienced here in the Smith River Basin.

Without the completion of this hydrologic investigation: agencies, groups and individuals will continue to make water management decisions based on insufficient information and perception and/or emotions; legal costs will continue to climb for individual property owners, organizations, and government entities regarding water use and water rights within the Smith River; the Smith River Watershed's ground-water permitting process, through the Department of Natural Resources and Conservation, will continue to be put on hold; the public will not be well served with adequate information regarding water resources, from which to make informed decisions.